



NEWS

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Governor Blanco Signs Executive Order Allowing Commissioner Wooley to Enact Emergency Insurance Rules

Commissioner of Insurance Robert Wooley says Governor Kathleen Babineaux Blanco signed an executive order yesterday which allows him the temporary authority to implement certain emergency insurance rules in the wake of Hurricane Katrina and its aftermath.

Section 4 of Executive Order KBB 2005-40 says this limited transfer of authority *"specifically includes, but is not limited to, the authority to suspend applicable statutes, issue any rules, regulations, directives or take any other actions that the commissioner deems necessary to protect the public health, safety, and welfare of the citizens of Louisiana, who were affected by Hurricane Katrina and on August 29, 2005 resided in the following parishes: Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Mary, St. Tammany, Tangipahoa, Terrebonne and Washington."*

As part of the executive order, Commissioner Wooley has issued Emergency Rules 15, 16 and 17 (Title 37, Part XI, Chapter 27), retroactive to August 26, 2005, that include the following provisions: (1) Insurance companies cannot cancel or non-renew insurance policyholders in the affected parishes listed above. These are policyholders who have all types of insurance, including, but not limited to flood, homeowners, auto, life, health and workers' comp; (2) No policy can be canceled or non-renewed solely because of a Hurricane Katrina claim; (3) Citizens affected by Hurricane Katrina in the above-listed parishes will receive an automatic extension of time to pay insurance premiums due on or after August 26, without any late fees or penalties; (4) Citizens with health insurance coverage in the above-listed parishes may receive medical care out-of-network and prescription medication out-of-network without penalty; (5) Public adjusters must register with the Department of Insurance and admitted insurance companies must register their adjusters with the Department; (6) Public adjusters cannot charge a percentage of the final claim as payment for their services. They can charge a flat fee or an hourly fee.

This limited transfer of authority shall remain in effect for the duration of the state of emergency and/or any subsequent state of emergency declared thereafter with regard to Hurricane Katrina and its aftermath. To view Emergency Rules 15, 16 and 17, visit the Department's Web site at www.lidi.state.la.us.